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FROM:

Chief, Legislation Division Office of Legislative Liaison

SUBJECT:

Senate Floor Action On & Passage of House Report 99-373 - Intelligence Authorization

Act for Fiscal Year 1986FY

- 1. Attached for your information and review please find copies of pages S 16072 to S 16076 from the <u>Congressional</u> <u>Record</u> of November 21, 1985.
- 2. These pages reflect the Senate floor action on, and passage of, House Report No. 99-373, the Conference Report on H.R. 2419, the Intelligence Authorization Act for Fiscal Year 1986.
- 2. The legislation now goes to the President's desk for his signature. We anticipate that he may sign it sometime during the first week of December.

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Attachment: as stated

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November 21, 1985

October 18, and on November 14, the Senate Committee on Commerce, Science, and Transportation approved H.R. 3235. Since the transfer of this facility is expected to occur. Senate approval of H.R. 3235 is necessary to establish the appropriate authority consideration for this transfer.

Mr. President, I ask my colleagues to accept this bill by unanimous consent. which will provide an excellent example of Government, industry, and academia working together to further our Nation's scientific and technological capabilities. In addition, approval of this bill will send a positive signal that just such a working relationship is an efficient and economical way to maintain our Nation's leadership in the commercial development of space.

Mr. HOLLINGS. Mr. President, I support H.R. 3235, the Mississippi Technology Transfer Center Act and the efforts of the distinguished senior Senator from Mississippi in getting this measure adopted.

I also compliment the State of Mississippi for its commitment to the Center and for its efforts to improve the research, development, and technology base of the State.

I think this H.R. 3235 is a tribute to Senator Stennis, who has worked so hard and continues to work hard to improve the economic well-being of his State. And, I ask that my colleagues approve this measure and send it to the President for his signature.

Mr. RIEGLE. Mr. President, I rise in support of H.R. 3235, the Mississippi Technology Transfer Center Act, and ask that my colleagues support this measure and send it to the President for his signature.

Mr. President, I also would like to compliment my friend, the distinguished senior-Senator from Mississippi, for his dogged pursuit of this legislation and for his continued efforts to improve the State of Mississippi's technology base. Without the active support of the senior Senator from Mississippi, it is quite certain the legislation required to transfer this Center to NASA would not have been approved.

Mr. President, I believe this Center. which will house, among other entities, the recently approved NASA Commercial Center of Excellence in Remote Sensing, is of mutual benefit to NASA and the State of Mississippi. I also believe it is of benefit to the Nation since it will further enhance our competitive posture. Mr. President, I support this measure and ask my colleagues to join me.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTELLIGENCE AUTHORIZATION. FISCAL YEAR 1986-CONFER-ENCE REPORT

Mr. DOLE. Mr. President I submit a on H.R. 2419 and ask for its immediate which the intelligence community has

The PRESIDING OFFICER. The report will be stated.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2419) to authorize appropriations for fiscal year 1986 for intelligence and intelligencerelated activities of the Bnited States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their repective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 14, 1985.)

Mr. DURENBERGER. Mr. President, I am pleased to place before the Senate, the conference report on the fiscal year 1986 intelligence authorization. While the specific details pertaining to the activities authorized by this act and the dollar amounts for such activities cannot be discussed in public. the annual authorization bill provides concrete evidence to the public that Congress is performing its oversight responsibilities and that the Nation's intelligence activities are being conducted in accordance with the law. I am pleased to note that Congress has enacted intelligence authorizations for every year beginning with fiscal year 1979, further evidence that Congress takes these responsibilities seriously.

The intelligence authorization bill is the principal means by which Congress directly impacts the Nation's intelligence programs. The conference report and the joint explanatory statement of the committee of conference sets forth the agreement reached on all legislative issues. In addition, the classified annex to the joint statement sets forth in detail the specific recommendations of the conference committee on all matters of difference between the two Houses relative to classified programs. This classified annex is available for review by all Members.

Together, these documents fully explain the legislation now before the Senate. I want to take a few moments, however, to discuss two very significant agreements worked out by the conferees and incorporated in the fiscal year 1986 Intelligence Authorization Act.

First, the legislation will require the Director of Central Intelligence to accompany the fiscal year 1987 National Foreign Intelligence Program budget with a document which sets forth a national intelligence strategy for the United States.

The national intelligence strategy is to be a blueprint for the intelligence community. In the national intelligence strategy, the Director of Central report of the committee of conference. Intelligence will state the missions to committed itself, and the priority that the community has assigned to each mission. It will describe the resources that would ideally be required to carry out these missions, as well as the DCI's actual program for meeting those commitments, within the real-world constraints of a limited budget.

> Mr. President, the committee believes that the development of a national intelligence strategy may be the most significant event for the future of the U.S. intelligence community since the passage of the National Security Act of 1947. This will be the first time that the country's foreign policy goals and national security will be directly and formally linked to the intelligence program that is necessary to support them. The development of the national intelligence strategy will also signify the first time in which our intelligence priorities will be established by the consumer of intelligence in a systematic description of the national foreign intelligence strategy.

The purpose of the national intelligence strategy is to serve both the intelligence producer and the intelligence consumer.

For the intelligence producer, the national intelligence strategy will be a planning tool-a device through which the intelligence community will be able to establish order over the competing demands that it must face in the future. The select committee is aware that the Director of Central Intelligence has headed an extensive planning process of his own for many years. Yet, there has never been a focal point at which the DCI has been able to bring the many parts of the intelligence community together and measure them against the country's foreign policy goals. The national intelligence strategy is intended to be that focal point.

For the intelligence consumer, the national intelligence strategy will reveal how the intelligence community plans to meet his intelligence needsor even whether these needs are being considered within the current U.S. Intelligence Program. Up until now, there has been no clear connection between an intelligence requirement levied by an intelligence consumer and the response of the intelligence community to that requirement. The national intelligence strategy will express that response.

Finally, for the Senate and the members of the select committee, the national intelligence strategy will be a much needed tool for executing our oversight responsibilities. For many years, members of the select committee-and our colleagues in oversight, the members of the House Permanent Select Committee—have observed that

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even though the intelligence community is usually forthcoming when it is asked for specific information concerning particular programs, rarely, if ever, is Congress told how these individual pieces fit together. Senate Resolution 400, the charter of the select committee, charges the committee "to assure that the appropriate departments and agencies of the United States provide informed and timely intelligence necessary for the executive and legislative branches to make sound decisions affecting the security and vital interests of the Nation." The national intelligence strategy will be essential to the ability of the select committee to carry out this mission.

The members of the select committee appreciate that the development of a national intelligence strategy is an ambitious enterprise that will require several years to mature. We are gratified that, from the beginning, the Director of Central Intelligence has indicated his support for the national intelligence strategy. Because of his commitment and his belief that such planning is indispensable for meeting this Nation's intelligence needs, the committee has been informed that the DCI will have his first draft of a strategy by the time the intelligence community presents it budget proposals in January 1986. This will be the first time the National Foreign Intelligence Program will have been developed with such a comprehensive rationale, and the committee is thankful for the DCI's providing such wholehearted

The members of the committee understands the magnitude of the task that developing a national intelligence strategy presents. Therefore, we also understand that several years will be required before the strategy is fully incorporated into the planning procedures of the intelligence community. However, we also believe that it is absolutely essential that we begin this

process now.

Mr. President, the challenges facing the intelligence community today are greater than any in the postwar era. Simply put, today's intelligence missions are tougher.

In the hearings the select committee held in connection with the development of a national intelligence strategy, at least four critical challenges facing the intelligence community today were cited time and again.

One challenge is simply that of information. Mr. President, there is an information explosion underway today. The amount of information that the intelligence community is required to collect, analyze, and disseminate is increasing exponentially. One intelligence platform recently placed into operation by the intelligence community, for example, produces 15 times as much data as its predecessor. Similarly, the rate at which this data must be processed is rising; the typical intelligence platform now entering service produces data at twice the rate of its predecessor. And the problem is not just technical; the human intelligence that the intelligence community must process is expanding at similar rates. The ability of the intelligence community to transform this information into useful information will lead to the success—or failure—of the intelligence community in the years to come.

A second challenge facing the intelligence community, Mr. President, is the growing number of consumers that it must support. Thirty-eight years ago when the present-day intelligence community was established, the chief consumers of intelligence included just the President, a small group of advisers and Cabinet officials, the Department of State, and the military. Today, of course, this is no longer true. Today the intelligence community must not only support these consumers, but also a multitude of other executive branch agencies. Congress, too, has become a major intelligence consumer as it has been required to play a larger role in national security policy. And not only has the number of intelligence consumers grown; the range of issues about which they must be kept informed has expanded as

The third challenge cited by the witnesses our committee heard was the increasing difficulty of collecting intelligence. From the denial of data from missile tests to the all too apparent counterintelligence threat, it is clear that the basic task of intelligence collection will become more difficult in the years ahead. The technical and human resources necessary to meet these challenges must now be planned 10 or 15 years in advance. This planning requires a strategy.

Finally, Mr. President, a fourth challenge facing the intelligence community today is one facing the Government

as a whole: tighter budgets.

The members of the select committee are well aware of the budget pressures facing the Federal Government. All of us will agree that we must reduce the massive deficits projected for the years ahead. The hard reality is that the intelligence community cannot count on the growth in resources that it has enjoyed in recent years.

Budget pressures will adversely affect the intelligence process, especially if we operate with an incomplete understanding of the relationships among requirements, capabilities, costs and performance. In austere times such as those now predicted for the upcoming years, it is imperative that the intelligence community make the most of its resources.

The committee believes, however, that these economic constraints will also present an opportunity for the intelligence community. A national intelligence strategy will not only illustrate the tough choices that will need to be made in distributing limited resources; it will also provide the intelli-

gence community with the opportunity to demonstrate the importance of intelligence to the Nation's welfare.

Taken together, these four challenges that face the intelligence community in the immediate future are indeed formidable. Meeting them will require the Congress to continue to provide substantial resources. Yet resources are only half the equation. Without a blueprint such as the national intelligence strategy, even massive infusions of money will be ineffective in maintaining the levels of support intelligence consumers need.

Without a doubt, the most important test of strategic intelligence is whether it helps our leaders to make better policy. To meet this test, the intelligence community must make clear just what is needed to support our national security policy and how it intends to meet these requirements. This is the purpose of the national intelligence strategy.

Mr. President, I also want to mention the issue of Nicaragua, which has consumed so much of our time and attention over the past few years.

The conferees carefully considered this issue in light of congressional action subsequent to passage of fiscal year 1986 intelligence authorization bills in the House and the Senate, and in the context of the current situation in Nicaragua.

The bill contains a specific classified authorization amount for communications equipment and related training for the Nicaraguan democratic resistance. This authorization is consistent with the action taken by the Congress in the Supplemental Appropriations Act (Public Law 99-88) to allow the U.S. Government to exchange information with the Nicaraguan democratic resistance. The classified authorization is designed to ensure that an exchange of information can be accomplished without compromising U.S. intelligence sources and methods.

The effect of other action taken by the conferees with respect to the administration's original budget request relating to military or paramilitary operations in Nicaragua is to make the CIA reserve for contingencies unavailable for such purposes. Approval of a reprogramming or of a transfer will be the only way in which funds, material, or other assistance beyond what is authorized in section 101 of the conference report and the classified schedule referred to in section 102, as I have just described, and what may become available pursuant to section 106 of Public Law 99-88, could be provided by the intelligence agencies to the Nicaraguan democratic resistance during fiscal year 1986, to support military or paramilitary operations in Nicaragua. Section 106 of the Supplemental Appropriations Act, 1985, provides for expedited congressional consideration of a Presidential request for assistance to the Nicaraguan democratic resistance in addition to the \$27 million apS 16074

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propriated for humanitarian assist- ance to a third country on the provi- port for the insurgents fighting ance for the Nicaraguan democratic resistance in that act.

I want to emphasize that the conferees considered authorizing the intelligence agencies to provide transportation equipment to the Nicaraguan democratic resistance, but determined not to authorize funds for such equipment because the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530 of August 29, 1985, pursuant to the International Security and Development Cooperation Act of 1985 (Public Law 99-83) and the fiscal year 1985 Supplemental Appropriations Act, already has the authority to provide transportation equipment as part of the humanitarian assistance program, and the provision of such equipment is not precluded by the definition of humanitarian assistance contained in those acts so long as no modifications are made to the equipment designed to be used to inflict serious bodily harm or death.

I also want to emphasize that under current law and the restriction contained in section 105 of this conference report, the intelligence agencies may provide advice, including intelligence and counterintelligence advice. and information, including intelligence and counterintelligence information, to the Nicaraguan democratic resist-

Clearly, the intelligence agencies will be providing information and advice on matters of concern to the Nicaraguan democratic resistance, such as information on Sandinista capabilities, resources and intentions, and advice on matters such as effective delivery and distribution of materiel. The conferees have, however, specified that the intelligence agencies are not to engage in activities that actually amount to participation in the planning or execution of military or paramilitary operations in Nicaragua by the Nicaraguan democratic resistance, or to participation in logistics activities integral to such operations.

Section 105 does not restrict the general conduct of intelligence liaison activities related to the Nicaraguan democratic resistance, but section 105 does not permit the departments, agencies, and entities described therein to engage in the solicitation of third countries to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua. Section 105(b)(2), however, permits the solicitation by the Department of State through diplomatic channels of third country humanitarian assistance of the same kind that the Nicaraguan Humanitarian Assistance Office is authorized to provide to the Nicaraguan democratic resistance, so long as such third country assistance is furnished from the third country's own resources, and the United States does not enter into any arrangement conditioning, expressly or impliedly, the provision of U.S. assistsion of assistance by such third country to the Nicaraguan democratic resistance.

striction that the Congress will enact with regard to this matter. I think that the time has come to return the issue to the intelligence oversight process, where it really belongs.

Mr. President, I wish at this time to express my appreciation to the vice chairman of the Select Committee on Intelligence, Senator LEAHY, for his efforts in support of this legislation. which have been in the finest tradition of bipartisanship with respect to the intelligence authorization process. I also want to take note of the contribution made by the staff of the Select Committee on Intelligence, particularly our staff director, Bernie McMahon, our chief counsel, Gary Chase, our minority staff director, Eric Newsom, our minority counsel, Dan Finn, and our budget staff, led by Senior Budget Officer Keith Hall. Budget staff members John Nelson and Charlene Packard made key contributions, and support staff members Kathleen McGhee and Linda Lawson also should be mentioned.

Mr. President, I believe that the conference report on the fiscal year 1986 intelligence authorization constitutes a sound agreement. Further, it continues the well established practice of a bipartisan approach to intelligence issues within the Congress. I urge my colleagues to support this legislation.

Mr. LEAHY. Mr. President, I am pleased to join my distinguished colleague, the chairman of the Select Committee on Intelligence, in submitting to the Senate the conference report on the Intelligence Authorization Act for fiscal year 1986. This is my first opportunity as vice chairman of the committee to manage the bill which authorizes funding of all U.S. intelligence agencies, and I do so with great pride.

We have come to the Senate with a good bill, one that provides sufficient funding for the Nation's intelligence agencies. In a time of budgetary difficulties, we have made reasonable economies in intelligence. In my view, when defense expenditure is under great pressure, as is certainly the case now, it is all the more important that we not cut into the muscle of U.S. intelligence. The superb intelligences capabilities this Nation possesses are not of our greatest advantages-a "great equalizer."

The joint explanatory statement of the committee of conference is quite clear in describing the actions of the conferees and the meaning of the provisions in the act. The chairman has added his own commentary and I do not want to take the Senate's time in repeating his various points.

However, Mr. President, this bill contains provisions and report language relating to United States sup-

against the Government of Niceragua. On September 26, when the Senate was considering the bill reported by that this will be the last statutory remained to Senetary are differed certain assuraisle who wished to offer amendments which, in my judgment at the time. -could have provoked a time-consuming and futile debate over the issue of aid to the Contras. I shared and still share their opposition to the administration's policy of supporting the Contra insurgency instead of seeking a negotiated political settlement with Nicaragua. I have repeatedly stated my opposition to that approach and the reasons for my opposition.

However, the issue of whether and how the United States would aid the Contras has been debated, voted on and settled by the Congress on the Supplemental Appropriations Act of 1985. At that time, Congress rejected the provision of lethal support to the Contras, while permitting "humanitarian assistance" to them. The CIA, Defense Department, and other intelligence agencies and entities of the U.S. Government were ruled out as a means for providing this so-called humanitarian assistance.

I opposed this approach, just as I opposed the former "covert" paramilitary assistance program which caused such serious harm to the CIA. Tying ourselves to the Contras is, I am convinced, harming U.S. foreign policy goals of stability and peaceful reform in Central America. Nevertheless, a majority of Congress supported this new humanitarian aid program. My goal has been to ensure that the limitations on that program are fully respected and adhered to by the executive branch.

My assurances last September did dissuade certain Senators from offering amendments aimed at blocking any renewal of military or paramilitary assistance. Frankly, I believed we opponents would again lose such a vote, possibly encouraging some in the administration to think revival of a covert paramilitary program might be possible. My friends agreed with that judgment. In private discussions and openly on the floor, I assured those Senators that the only program authorized by the Congress is the \$27 million in so-called "humanitarian assistance," and that this bill contained nothing contrary to that. Further, I said that I would ensure that any new covert paramilitary plan submitted by the administration would be subject to full congressional consideration, in secret session if necessary.

My intention in the conference with the House was to honor fully those assurances. This conference report accords completely with the commitments I made to Senators in persuading them not offer their amendments to this bill last September.

. Let me spell out clearly how this is so. The revised section 105 of the au-

thorization provides that any military or paramilitary assistance can be authorized only as provided in section 101 of the act. There is no other statutory basis for a new program of military or paramilitary assistance other than what is provided for here. Section 101 permits only that a limited amount of communications equipment and training may be given to the Contras outside the \$27 million humanitarian aid program. As the joint explanatory statement indicates, the conferees authorized this limited amount of communications equipment so that the exchange of intelligence information allowed by the 1985 supplemental appropriation "can be accomplished without compromising U.S. intelligence sources and methods." In other words, Mr. President, if Congress is determined to allow the United States to provide certain kinds of intelligence information to the Contras. I and those who share my views at least want that information to be passed in a secure manner that protects our own sources and methods from compromise.

Section 401 of the Intelligence Authorization Act amends the National Security Act of 1947 to prohibit the availability of funds for any intelligence activity for which Congress had denied funds. This is to prevent the administration from simply drawing on the contigency reserve to support intelligence activities for which .Congress has denied funds. Therefore, since Congrèss has denied funds for a program of military or paramilitary assistance to the Contras, the administration may not seek to revive that program or some version of it and finance it through a withdrawal from the contingency reserve. Had we not taken that authority from the administration, it could have come forward with a new or amended covert paramilitary program and merely notified the necessary committees of Congress. Those committees would have had no power to disapprove such a program. However, the joint explanatory statement specifically states that the contingency reserve is not available for such an action by the administration.

Mr. President, what this means is that if the administration wants to initiate a program of military or paramilitary support to the Contras, it must do so in one of three ways, each of which is subject to disapproval by the legislative branch: It can submit a supplemental appropriation, subject to a vote by both Houses; it can seek committee approval of an interagency transfer: or it can propose a reprogramming of funds from one intelligence activity to another, again a procedure subject to disapproval by any one of the several committees who review the reprogramming request.

The conference committee also ruled out solicitation of lethal assistance from third countries by the CIA or other intelligence agencies of the U.S. Government for the Contras. We did

not want to leave a loophole for agencies of the executive branch to seek to do through third countries what Congress had prohibited the United States from doing. However, though I am not happy with this, the conference recognized the right of the State Department to seek nonlethal assistance of the same type that the executive branch itself is authorized to provide. However, the State Department may not condition any United States foreign aid or any other type of assistance to a third country on its willingness to provide nonlethal assistance to the Contras.

The conference also discussed the question of allowing the CIA or other intelligence agencies to provide certain kinds of transportation equipment to the Contras. Again, the conference decided to prohibit such an activity by the intelligence agency or to authorize funds for that purpose, even if the equipment could not be used "to inflict serious bodily harm or death.' However, the conferees did recognize that such transportation equipment could be provided by the Nicaraguan Humanitarian Assistance Office as part of the \$27 million program approved by Congress in the supplemental appropriation, so long as the equipment is not modified for lethal use.

Once again, Mr. President, I cannot support any type of aid to the Contras, but I recognize that Congress has decided otherwise. My purpose in this conference was to avoid opening any other avenues for the administration to assist the Contras other than the specific humanitarian aid program approved and funded by Congress in the supplemental appropriation for fiscal year 1985. This provision contributes to that objective.

Title VI of the Intelligence Authorization Act provides an important authority to offer expeditious citizenship to certain aliens who has "made an extraordinary contribution to the national security of the United States or to the conduct of United States intelligence activities." The number of aliens who may benefit from this provision may not exceed five in any 1 year, and there is a 1-year residence requirement.

Mr. President, the purpose of this title is to provide incentive for persons who take extraordinary risks in the service of the United States, such as members of the KGB, by remaining in place prior to defection. When the contributions of such persons warrants, it will be possible to reward their service with expeditious citizenship. I anticipate this will be of considerable assistance to the CIA in its work with defectors.

Senator Bentsen offered an amendment to the original Senate bill to increase funds available to the FBI for domestic counterterrorism activities. I am proud to have cosponsored that amendment. The Bentsen amendment was incorporated in the conference committee's action, and will represent

an important augementation of the FBI's counterterrorism capabilities.

I want also to call attention to Senator Nunn's leadership in working out a compromise with the House on title VIII of the bill concerning Federal access to State criminal history records in the conduct of security investigations for access to classified information. We are all aware of deficiencies and problems in performing adequate security checks of Federal employees who are under consideration for access to sensitive national security information. It will be of great benefit to the Federal agencies to have access to State criminal history records-with the consent of the individual receiving the security checkin order to conduct as thorough a review of the person's background as possible. Several States have laws prohibiting the provision of such information, though by far the majority do respond to Federal requests.

The Nunn compromise reflected in the conference committee's bill and joint explanatory statement meets a basic concern of those States currently banning release of this criminal history information, that is, that they will be subject to suits for misuse of the records. The provision provides for Federal Government indemnity of such States for a 3-year trial period. During the first 2 years of that time, the Federal agencies involved will undertake a study of the program, to include consideration of whether States voluntarily participating should be included in any future indemnification arrangement. There is a sunshine cutoff of this indemnification portion at the conclusion of 3 years. We will then be able to review the indemnification issue with the benefit of the study carried out by the appropriate agencies.

Mr. President, I assure my colleagues that this is a balanced bill which provides for the funding needs of U.S. intelligence, consistent with the budgetary stringencies of which we all are aware.

Mr. President, I want also to thank Eric Newsom, the minority staff director, for his yeoman service in helping to form this legislation. He. Daniel Finn, the minority counsel, and George Tenet, my designee on the Intelligence Committee staff, and the rest of the committee staff, have done a superb job. I want also to call attention to the role of Keith Hall, the committee budget officer, and the budget staff, who have worked long and hard to produce this bill. Mr. Hall, budget staffers John Nelson, Carolyn Fuller, Charlene Packard, and Kathleen McGhee carried an immense load for the committee, and I am indeed appreciative. The candles burned long and late for all of them.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

standing that the cost overruns previously identified with the Centaur Upper Stage Program are now being

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION, FISCAL YEAR 1986—CONFERENCE REPORT

Mr. DOLE. Mr. President, I submit a report of the committee of conference on H.R. 1714 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1714) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposets, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 19, 1985.)

Mr. GORTON. Mr. President, for the purpose of authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration INASAI, the Senate Committee on Commerce, Science, and Transportation is reporting a conference report which reflects an agreement reached between the Senate Commerce Committee and the House Science and Technology Committee.

On April 3, 1985, the House passed its NASA authorization bill, H.R. 1714, which authorized \$7,510,700,000 for NASA in fiscal year 1986. On June 27, 1985, the Senate passed its NASA authorization, H.R. 1714, as an amendment in the nature of a substitute. The Senate authorization provided \$7,652 million for NASA in fiscal year 1986.

The compromise legislation before us, H.R. 1714, as amended, authorizes \$7,666 million for NASA in fiscal year 1986, a funding level which is \$220 million below the administration's budget request of \$7,886 million.

The major differences between this substitute amendment and the administration's request are as follows. The Space Station Program is authorized at a funding level of \$205 million which is \$25 million below the administration's budget request of \$230 million. Space shuttle capability development is authorized at a level of \$437 million compared to the budget request of \$459 million. This substitute funding level is based on the under-

standing that the cost overruns previously identified with the Centaur Upper Stage Program are now being accommodated through reprogramming and through a reallocation of some of these overrun costs into fiscal year 1987.

Commercial programs are authorized at \$28 million, a funding level that is \$13 million less than the administration's budget request. In spite of this reduction, NASA should still be able adequately to support its five new Centers for the Commercial Development of Space, a joint industry-government-academia initiative designed to stimulate private sector investment and involvement in space.

Finally, space flight, control, and data acquisition is authorized at a level of \$3,371 million, which is \$137 million below the administration's budget request of \$3,510 million.

Mr. President, it is disturbing to point out in so many instances where budget request exceeds the amount actually authorized. This is a constant reminder that for fiscal year 1986, NASA's authorization will not even keep pace with the rate of inflation. This deceleration in growth can only come back to haunt us in the future, as our Nation's scientific and technological advantage over the rest of the world narrows. Nevertheless, I recognize that all agencies are being asked to make sacrifices for the sake of reducing the budget deficits, and NASA is no exception. Only time will tell, however, whether or not these decisions will prove to be the wisest decisions for the future of our Nation.

During this past year, as the future of space commercialization has been discussed, one issue that has received considerable attention is that of establishing a shuttle pricing policy for foreign and commercial customers for fiscal year 1989 and beyond. For, until the space station is operating, the space shuttle will, unquestionably, be the key to the commercial development of space, and the cost of flying experiments and satellites aboard the shuttle will figure significantly into the development of commercial space endeavors.

In August, the administration announced its shuttle pricing policy for fiscal year 1989—\$74 million (1982 dollars) for a dedicated shuttle cargo bay. The dominant factor in the administration's policy was to ensure that the space shuttle maintains a strong, competitive position in the world launch market. This is an issue of no small concern, as over the past 2 years, the French Ariane launch vehicle has made considerable inroads into this market.

I commend the administration for its excellent job in establishing this policy and in resolving this controversial issue. This conference report endorses the administration's policy and goes one step farther to ensure that the United States maintains leadership in the world launch market. This

bill allows the NASA Administrator to lower the base price of \$74 million to a price no lower than that of the additive cost of a shuttle mission. This additional authority provides the NASA Administrator some flexibility if a trend develops whereby the administration's base price of \$74 million is being underbid and the shuttle is losing customers to our foreign competitors. This authority, however, can only be invoked after Congress has been notified of a decision to lower the base price. I believe that this notification requirement is an adequate safeguard to ensure that any decision to lower the base price is not done without considerable study by both NASA and the Congress.

Finally, Mr. President, this conference report earmarks within the total authorization no more than \$400,000 as an additional authorization for the National Commission on Space, which was established by the fiscal year 1985 NASA authorization bill. The Commission determined that it needed additional funds to complete its task of examining long-term goals and options for our Nation's future in space. The Commission's report, which is due to the President and to Congress in April 1986, will provide recommendations for us to consider as we chart our Nation's course in space over the next 50 vears.

Mr. President, in closing, I would like to compliment the Senator from Michigan [Mr. Riegle], the ranking member of the Senate Subcommittee on Science, Technology, and Space, for his considerable effort and assistance in formulating this fiscal year 1986 authorization for NASA. I think he will agree with me that, under the constraints of the deficit reduction initiative, this authorization bill supports an aggressive and balanced agenda for NASA in all areas of space flight, space science and applications, and aeronautical research and technology.

Mr. RIEGLE. Mr. President, I rise in support of H.R. 1714, the fiscal year 1986 NASA authorization conference report.

Mr. President, when the Senate passed its version of this bill in June, I felt certain that a conference agreement would be on the floor of the Senate by late July. Unfortunately, the unsettling budget dilemma that confronts the Congress, also unsettled the NASA bill.

Regardless of the fact the bill before us is long overdue, it is a well-crafted bill that leaves NASA with a reasonable level of resources in fiscal year 1986. The \$7.666 billion contained in the fiscal year 1986 conference agreement is over \$200 million below the fiscal year 1986 NASA budget request, but it also is \$150 million above the fiscal year 1985 level of funding. In light of the current budget dilemma, NASA has faired quite well.

In negotiating the final conference agreement, there was a significant